

UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO

In re

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.<sup>1</sup>

PROMESA

Title III

No. 17-BK-03283 (LTS)

(Jointly Administered)

**THIRD NOTICE OF PROPOSED HOURLY RATE ADJUSTMENT OF  
LUSKIN, STERN & EISLER LLP, AS SPECIAL COUNSEL TO THE  
FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,  
EFFECTIVE AS OF SEPTEMBER 1, 2021**

**PLEASE TAKE NOTICE** that, pursuant to this Court's *Order Imposing Additional Presumptive Standards: Rate Increases and the Retention of Expert Witnesses or other Sub-Retained Professionals* [Docket No. 7678] (the "Additional Presumptive Standards Order"),<sup>2</sup> Lusk, Stern & Eisler LLP ("LS&E"), as Special Counsel to the Financial Oversight and Management Board for Puerto Rico, as representative of the Debtors in the above-captioned title III cases (the "Title III Cases"), hereby proposes a rate adjustment on a timekeeper-by-timekeeper basis for its timekeepers (the "Rate Adjustment") effective as of September 1, 2021 (the "Effective Date") as set forth on Exhibit A attached hereto.

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<sup>1</sup> The Debtors in these jointly-administered Title III Cases, along with each Debtor's respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) Last Four Digits of Federal Tax ID: 3808); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747).

<sup>2</sup> Capitalized terms used but not defined herein have the meanings given to them in the Additional Presumptive Standards Order.

**PLEASE TAKE FURTHER NOTICE** that, in support of the proposed Adjustment, LS&E submits the certification attached hereto as Exhibit B with respect to the proposed Rate Adjustment and in accordance with the Additional Presumptive Standards Order.

Dated: White Plains, New York  
August 3, 2021

Respectfully submitted,

/s/ Michael Luskin

Michael Luskin (admitted *pro hac vice*)  
Lucia T. Chapman (admitted *pro hac vice*)  
Stephan E. Hornung (admitted *pro hac vice*)

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*Special Counsel to the Financial Oversight and  
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/s/ Hermann D. Bauer

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*Co-Attorneys for the Financial Oversight and  
Management Board for Puerto Rico*

**EXHIBIT A**

Rate Adjustment Schedule for Timekeepers

<b>Timekeeper</b>	<b>Position</b>	<b>Year Admitted to Practice</b>	<b>Hourly Billing Rates effective as of September 1, 2021</b>
Michael Luskin	Senior Partner	1978	\$900.00
Stephan E. Hornung	Junior Partner	2008	\$775.00
Lucia T. Chapman	Senior Associate	1984	\$750.00
Catherine D. Trieu	Paralegal	N/A	\$285.00
Kathleen Feeney	Paralegal	N/A	\$285.00

**EXHIBIT B**

Certification of Michael Luskin

**UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.<sup>1</sup>

PROMESA

Title III

No. 17-BK-03283 (LTS)

(Jointly Administered)

**CERTIFICATION OF MICHAEL LUSKIN IN SUPPORT OF THE  
PROPOSED HOURLY RATE ADJUSTMENT OF LUSKIN, STERN & EISLER LLP,  
AS SPECIAL COUNSEL TO THE FINANCIAL OVERSIGHT AND MANAGEMENT  
BOARD FOR PUERTO RICO, EFFECTIVE AS OF SEPTEMBER 1, 2021**

I, Michael Luskin, hereby certify that:

1. I am a member of the law firm of Luskin, Stern & Eisler LLP (“LS&E”), with offices located at 50 Main Street, White Plains, New York 10606. LS&E is special counsel to the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) as representative of the Debtors in the above-captioned title III cases (the “Title III Cases”) pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”).<sup>2</sup> I have personal knowledge of all of the facts set forth in this certification except as expressly stated herein.

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<sup>1</sup> The Debtors in these jointly-administered Title III Cases, along with each Debtor’s respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) Last Four Digits of Federal Tax ID: 3808); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747).

<sup>2</sup> PROMESA has been codified in 48 U.S.C. §§ 2101-2241.

2. In accordance with the *Order Imposing Additional Presumptive Standards: Rate Increases and the Retention of Expert Witnesses or Other Sub-retained Professionals* entered June 26, 2019 [Docket No. 7678] (the “Additional Presumptive Standards Order”), this certification is made in support of the Notice of Proposed Hourly Rate Adjustment of LS&E, as special counsel to the Oversight Board, effective as of September 1, 2021 (the “Notice”),<sup>3</sup> dated August 3, 2021.

3. With respect to the Additional Presumptive Standards Order, I hereby certify that:

- a) LS&E is authorized by its client, the Oversight Board, to increase the hourly rates for its timekeepers, both with respect to the Effective Date and the amounts set forth on Exhibit A to the Notice, on a timekeeper-by-timekeeper basis. The Oversight Board is advised of LS&E’s practice of periodic rate adjustments as set forth in the engagement letter dated October 4, 2016 (the “Retention Date”);<sup>4</sup>
- b) LS&E performs bi-annual reviews of its associates’ work, and annual reviews of its paralegals’ work, based on demonstrated expertise, ability, level of responsibility, professional learning and other related factors, and adjusts compensation and hourly billing rates on a timekeeper-by-timekeeper basis as of August 1 of each year. LS&E makes every effort to complete its reviews and rate adjustments well in advance of August 1, but was unable to do so this year. Accordingly, LS&E proposes that the Rate Adjustment be approved effective as of September 1, 2021;
- c) attached hereto as Schedule I is a true and complete hourly rate schedule for the firm’s professionals, by year of bar admission, both before and after implementation of the proposed Rate Adjustment;
- d) the proposed Rate Adjustment imposed for LS&E’s timekeepers working on these Title III Cases are presumptively reasonable and consistent, both in amount and timing, with those imposed for LS&E’s timekeepers not working on these Title III Cases;

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<sup>3</sup> Capitalized terms used but not defined herein have the meanings given to them in the Notice.

<sup>4</sup> A copy of the engagement letter is available on the Oversight Board’s website at <http://oversightboard.pr.gov/documents/>.

- e) the proposed Rate Adjustment reflects an hourly rate increase based on a promotion<sup>5</sup> of LS&E's Junior Partners and Associates, which is based upon those timekeepers' developing skill, experience and professional judgment;
- f) the proposed Rate Adjustment reflects an hourly rate increase based on inflation for LS&E's Senior Partners, Junior Partners, and Associates and is the third hourly rate increase for such timekeepers since the Retention Date.

Dated: White Plains, New York  
August 3, 2021

Respectfully submitted,

/s/ Michael Luskin  
Michael Luskin (admitted *pro hac vice*)

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<sup>5</sup> Pursuant to the U.S. Trustee Guidelines, "rate increases" "exclude annual 'step increases' historically awarded by the firm in the ordinary course to attorneys throughout the firm due to advancing seniority and promotion." U.S. Trustee Guidelines ¶ B.2.d, n.2.

**Schedule I**

Hourly Billing Rates of Luskin, Stern & Eisler LLP

Timekeeper	Position	Year Admitted to Practice	Hourly Billing Rate	
			As of September 1, 2020 <sup>1</sup>	As of September 1, 2021
Michael Luskin	Senior Partner	1978	\$875.00	\$900.00
Richard Stern	Senior Partner	1980	\$875.00	\$900.00
Nathan M. Eisler	Senior Partner	1984	\$875.00	\$900.00
Matthew O'Donnell	Junior Partner	2007	\$800.00	\$825.00
Stephan E. Hornung	Junior Partner	2008	\$770.00	\$775.00
Alex S. Talesnick	Junior Partner	2012	\$560.00	\$600.00
Lucia T. Chapman	Senior Associate	1984	\$750.00	\$750.00
Genna D. Grossman	Associate	2014	\$440.00	\$460.00
Sean J. Han	Associate	2020	\$340.00	\$360.00
Catherine D. Trieu	Paralegal	N/A	\$285.00	\$285.00
Kathleen Feeney	Paralegal	N/A	\$285.00	\$285.00

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<sup>1</sup> Based on discussions with the Oversight Board, LS&E agreed that the adjusted hourly rates proposed in its second *Notice of Proposed Hourly Rate Adjustment of Luskin, Stern & Eisler LLP, as Special Counsel to the Financial Oversight and Management Board for Puerto Rico, nunc pro tunc to August 1, 2020* [ECF No. 14006] would be effective as of September 1, 2020.